JOGA
JOURNAL OF GLOBAL ACCOUNTING
10 (2) July, 2024.
ISSN (Online): 1597–7641; ISSN (Print): 1597-8273
https://journals.unizik.edu.ng/joga

OUTLOOK AND RESOURCE ALLOCATION DISCLOSURES IN INTEGRATED REPORTS AND MARKET PERFORMANCE OF LISTED NIGERIAN BANKS

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CITATIONAnaege, A.E. & Ekwueme, C.M. (2024). Outlook and resource allocation disclosures in integrated reports and market performance of listed Nigerian banks, *Journal of Global Accounting*, 10(2), 366 - 385.

Available:https://journals.unizik.edu.ng/jo

Key words: *Integrated Reporting, Market Price Per Share, Nigerian Banks, Outlook Disclosures, Resource Allocation.*

ABSTRACT

This article evaluated the effect of outlook and resource allocation disclosures on the market price per share (MKPF) of listed banks in Nigeria. The research design was ex post facto and simple linear regression was used to analyse the data obtained from five (5) banks to determine how these elements of integrated reporting influence investor decisions measured by the market price per share. The findings reveal that while resource allocation strategies (RAS) do not significantly affect MKPF, outlook disclosures (OD) show a marginally significant negative effect. The study underscores the need for banks to refine their disclosure practices, particularly in providing more detailed outlook information, and suggests that regulators should consider enforcing stronger guidelines for these disclosures to enhance market transparency and investor confidence.

1. INTRODUCTION

The increasing complexity of global business environments has highlighted the need for transparent and comprehensive reporting that goes beyond financial performance to provide a more holistic view of an organization's prospects (Uyar, 2016). In recent years, there has been a growing emphasis on the need for corporations to disclose not only their past performance but also their strategic outlook and how resources are allocated to create value over the long term (Mahmud, 2018). Traditional financial reporting, with its focus on historical financial data, often lacks forward-looking insights, making it difficult for investors and stakeholders to assess the long-term sustainability and growth potential of a company

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(Mähönen, 2020). This gap has driven the adoption of more integrated approaches to corporate reporting, where both financial and non-financial aspects are included to present a comprehensive picture of an organization's current status and future direction (Ogar-Abang et al., 2022). Integrated Reporting (IR), as introduced by the International Integrated Reporting Framework (IIRF), aims to address these limitations by providing a holistic view of how an organization creates value over time. The framework emphasizes the need for disclosures that cover both the present and the future, including the organization's outlook and resource allocation strategies (IIRC, 2021). These elements are particularly important for stakeholders seeking to understand not only the current performance of an organization but also its future potential to sustain growth and navigate risks. According to Mock et al. (2021), integrated reporting can offer a clearer picture of how a company's financial capital, intellectual capital, human capital, and other resources are being used to achieve long-term strategic objectives. It also allows companies to communicate how they plan to address future risks, opportunities, and external challenges that could impact their market performance.

In the banking sector, the need for forward-looking disclosures is even more pressing, given the sector's role as a financial intermediary and its exposure to macroeconomic, regulatory, and market risks. Banks are expected to be transparent about how they manage risks, allocate resources, and plan for the future to ensure continued financial stability and competitiveness (Oyebowale & Algarhi, 2024). Moreover, the complex regulatory landscape and the high level of scrutiny in the sector make it imperative for banks to provide detailed disclosures that not only address past performance but also future expectations (Akbas et al., 2021). In the Nigerian banking sector, integrated reporting is gradually gaining traction, although its adoption is still in its early stages (Akpan, Charles, & Robinson, 2022). The Nigerian Exchange Group (NGX) has encouraged listed companies to improve their reporting practices, but integrated reporting is not yet mandatory. Consequently, many banks still rely on traditional financial reporting models, which may not provide the comprehensive insights that stakeholders require to assess future growth and sustainability (Okaro & Okafor, 2017). However, the increasing focus on sustainability and the need for better alignment with global reporting standards have led some banks to adopt integrated reporting practices to enhance transparency and build investor confidence (Nwoye, Egbunike, & Osegbue, 2021). The role of outlook and resource allocation disclosures in influencing market performance is of particular interest to this study. Several studies have shown that integrated reporting can have a positive impact on market performance by improving transparency and enabling investors to make more informed decisions (Mock et al., 2021). In the Nigerian context, where the banking sector is a key driver of economic growth, understanding how these disclosures affect market performance is critical for evaluating the effectiveness of integrated reporting practices. According to Dewi, Anggara, and Lindrianasari (2024), companies that provide detailed and forward-looking disclosures tend to have higher levels of investor trust and engagement, which can lead to better market performance in the form of higher share prices and improved market perceptions.

Outlook disclosures, which offer insights into an organization's future expectations, are crucial for stakeholders who need to understand the strategic direction and external challenges that may affect an organization's ability to create value (Navarrete-Oyarce et al., 2022). However, many Nigerian banks still fail to provide detailed outlook disclosures, relying instead on retrospective reporting that does not address the future risks and opportunities that are likely to impact their market performance (Ajekwe, 2019). This lack of forward-looking transparency can limit investors' ability to assess the long-term sustainability of banks and make informed investment decisions. Similarly, resource allocation disclosures, which provide information about how an organization uses its resources to achieve strategic objectives, are often underreported in Nigerian banks (Mahmud, 2018). Effective resource allocation is key to ensuring long-term competitiveness, particularly in the highly regulated and capital-intensive banking sector (Oyebowale & Algarhi, 2024). Without clear disclosures on how resources are allocated, stakeholders may struggle to assess the efficiency and effectiveness of a bank's operations, potentially leading to misinformed investment decisions and market underperformance. Extant studies suggest that empirical research on integrated reporting is limited (Okaro, Okafor, & Nnabuife, 2019). Hence, this study aims to fill this gap by examining how outlook and resource allocation disclosures in integrated reports affect the market performance of quoted Nigerian banks.

1.1 Objectives

The broad objective of the study is to evaluater the effect of integrated reporting practices on the market performance of listed banks in Nigeria. The specific objectives of the study include the following;

1. to ascertain the effect of resource allocation strategy disclosures on the market price per share of listed banks in Nigeria.
2. to investigate the effect of outlook disclosures in integrated reports on the market price per share of listed banks in Nigeria.

1.2 Research Questions

1. What effect does disclosure of resource allocation strategies have on investor decisions and market price per share of listed banks in Nigeria?
2. To what extent do the outlook disclosures within integrated reports affect the market price per share of listed banks in Nigeria?

1.3 Research Hypotheses

The proposed research hypotheses are stated as follows in the null form:

H_{o1}: Disclosures of resource allocation strategies have no significant effect on investor decisions and market price per share of listed banks in Nigeria.

H_{o2}: The outlook disclosures within integrated reports do not significantly affect the market price per share of listed banks in Nigeria.

2. LITERATURE REVIEW

2.1 Conceptual Review

2.1.1 Integrated Reporting

Integrated Reporting (IR) has revolutionized corporate reporting by merging financial and non-financial information to provide a holistic view of an organization's performance, strategy, and prospects (Uyar, 2016). Traditional financial reporting primarily offers historical data, focusing on financial outcomes like profitability, solvency, and liquidity (Dashkevich, Counsell, & Destefanis, 2024). However, this backward-looking approach limits the insight available for stakeholders to assess a company's future value creation and sustainability (Gerged, Zahoor, & Cowton, 2023). Furthermore, traditional reports often ignore non-financial factors that significantly affect a company's long-term success, such as environmental, social, and governance (ESG) dimensions (Ortiz-Martínez, Marín-Hernández, & Santos-Jaén, 2023). In response to these limitations, sustainability reporting frameworks like the Triple Bottom Line (TBL) and ESG reporting emerged, emphasizing the social, environmental, and governance aspects of corporate performance (Bosi, Lajuni, Wellfren, & Lim, 2022). The TBL framework expanded the scope of corporate success to include social and environmental dimensions alongside financial profit. ESG reporting refines this approach by evaluating how well companies manage environmental risks, social responsibilities, and governance practices (Eccles & Krzus, 2010). However, despite their valuable insights, these frameworks often failed to integrate financial and non-financial information cohesively, which gave rise to the need for a more unified reporting system: Integrated Reporting.

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IR, introduced by the International Integrated Reporting Council (IIRC) in 2013, addresses the gap between financial and sustainability reporting by presenting a unified report that connects financial outcomes with non-financial factors, particularly focusing on future value creation (IIRC, 2021). IR aims to provide a comprehensive understanding of how a company is positioned to create sustainable value over the short, medium, and long term. This involves linking organizational strategy, governance, and performance with prospects (Mähönen, 2020). Key elements of IR include Organisational Overview and External Environment, Governance, Business model, Risks and Opportunities, Strategy and Resource Allocation, Performance, Outlook, Basis of Preparation and Presentation. These elements play a crucial role in shaping stakeholder expectations about future performance (Adams, 2015). However, this study will focus on Strategy and Resource Allocation and Outlook disclosures.

2.1.2 Outlook Disclosures

The outlook element of IR focuses on an organization's prospects, including challenges, opportunities, risks, and uncertainties that could affect the achievement of strategic objectives. According to the IIRC (2021), the outlook provides stakeholders with insights into the potential implications of an organization's strategic direction on its future business model and performance. This forward-looking information helps stakeholders assess the long-term viability of a company and the risks associated with its strategy. By providing clarity on future challenges and uncertainties, the outlook disclosure strengthens an organization's credibility and trustworthiness in the eyes of investors and other stakeholders. The importance of outlook disclosures for Nigerian banks as contained in the IRF 2021 is in their capacity to inform stakeholders about the bank's preparedness to navigate economic fluctuations, regulatory changes, and market competition. As banks operate in a dynamic and often volatile financial environment, forward-looking statements that address potential risks, opportunities, and the broader economic outlook become essential in evaluating the bank's ability to sustain performance. This disclosure also helps in assessing the bank's adaptability to changes in market conditions, such as interest rate movements, inflation, and exchange rate volatility, which can have a significant impact on profitability and stability.

Several studies support the value of future-oriented disclosures in enhancing market performance. For example, Steyn (2014) emphasized that forward-looking information enables better decision-making by providing clarity on strategic objectives and future performance targets. Moreover, Krzus (2011) argued that forward-looking statements in IR help organizations manage risks more effectively and enhance stakeholder engagement by providing a holistic view of future business prospects. In this regard, the outlook component of IR not only strengthens transparency but also contributes to improved investor confidence, which is particularly relevant in the context of Nigerian banks operating in a rapidly changing financial landscape.

2.1.3 Resource Allocation Disclosures

Resource allocation refers to how an organization plans to utilize its resources (financial, human, intellectual, and physical) to achieve its strategic objectives. The resource allocation component of IR focuses on the alignment of resources with the company's strategy, highlighting how resources are being managed to create value over time (IIRC, 2013). Effective resource allocation ensures that organizations can maximize returns on their investments, manage risks efficiently, and capitalize on opportunities that arise in the market. In the context of Nigerian banks, resource allocation disclosures are critical for demonstrating how banks plan to allocate capital to achieve growth, improve operational efficiency, and enhance service delivery. For example, these disclosures may include information on investment in digital banking platforms, staff training programs, or expansion into new markets. Given the competitive nature of the Nigerian banking sector, efficient resource allocation is key to maintaining profitability and sustaining market performance. Banks that can effectively communicate their resource allocation strategies are more likely to gain the confidence of investors, leading to improved market valuation.

According to Hoffman (2012), early adopters of IR have reported that resource allocation disclosures help focus management on material issues, such as achieving integrated thinking and considering risks and opportunities more comprehensively. By providing transparency on how resources are allocated, these disclosures enable stakeholders to assess whether the company is well-positioned to execute its strategy and deliver long-term value. Furthermore, Krzus (2011) highlighted that clear resource allocation disclosures facilitate better decision-making by management and investors alike, as they provide a coherent narrative of how the organization intends to achieve its goals.

2.1.4 Outlook and Resource Allocation Disclosures and Market Performance

The market performance of banks is significantly influenced by the transparency and quality of disclosures related to prospects and resource allocation. Investors rely on this information to make informed decisions about the bank's potential for growth and its ability to mitigate risks. In particular, Nigerian banks, which face various economic and regulatory challenges, benefit from providing stakeholders with clear insights into their future strategies and resource management practices. The Strategy and Resource Allocation section provides insights into strategic decisions and resource alignment with goals (IIRC, 2021). Sciulli and Adhariani (2022) noted that clear communications about strategy and resource allocation in integrated reports enhance stakeholder engagement and increase the organisations' legitimacy and transparency. The study highlights the importance of strategic clarity and resource management in enhancing overall performance. Muhi and Benaissa (2023) also suggest that effective strategy and resource allocation reporting in integrated reports leads to better financial outcomes and investor confidence.

The Outlook section provides insights into the organisation's prospects, including expected changes in the external environment, future risks and opportunities, and their impact on value creation over time (IIRC, 2021). Studies have shown that including a forward-looking perspective in integrated reports can enhance market performance (Kunc et al., 2020; Surowiec, 2021). Companies that provided clear future outlooks and strategic plans were better able to attract investor confidence and positively influence share prices. Kunc et al. (2020) found that companies with well-articulated future outlooks in their integrated reports provide information useful to support investors in assessing the future financial performance of organisations.

2.1.5 Challenges of Implementations

While the benefits of outlook and resource allocation disclosures are clear, there are several challenges associated with implementing these components of IR in Nigerian banks. One of the key challenges is the difficulty in providing reliable forward-looking information. As Hanks (as cited in Steyn, 2014) pointed out, organizations face a significant challenge in shifting from reporting on historical performance to disclosing prospects and targets. The uncertainty inherent in forward-looking information makes it difficult for banks to provide accurate projections, especially in an unpredictable economic environment like Nigeria's, where factors such as inflation, foreign exchange rates, and regulatory changes can drastically affect performance.

Another challenge relates to the need for robust information systems that can support the collection and reporting of data on resource allocation. Many Nigerian banks may lack the advanced management information systems needed to track and report on resource allocation effectively. This can result in incomplete or inaccurate disclosures, which may undermine stakeholder confidence and negatively impact market performance. Moreover, the cost of upgrading information systems to support IR reporting can be prohibitive for some banks, especially smaller institutions that may not have the financial resources to invest in such infrastructure (Steyn, 2014). Materiality is another critical issue in IR, particularly when it comes to determining which information is relevant and should be included in the report. Nigerian banks may struggle to determine the appropriate level of detail to provide in their outlook and resource allocation disclosures. Over-disclosure can lead to information overload for stakeholders, while under-disclosure may result in a lack of transparency and diminished trust. Striking the right balance is essential for ensuring that the disclosures provide meaningful insights without overwhelming or misleading stakeholders.

2.1.6 Market Performance

In the context of integrated reporting, forward-looking disclosures—particularly in the Outlook and Resource Allocation sections—play a critical role in shaping investor perceptions and market performance. As investors look to the future to assess a company's growth potential and ability to manage emerging challenges, these disclosures offer valuable insights into a company's strategic direction and use of resources. Cevik et al. (2022) note that market dynamics are influenced not only by past performance but also by investor perceptions of future risks and opportunities, which are often detailed in the Outlook section of integrated reports. Research by Kunc et al. (2020) and Surowiec (2021) demonstrates that companies providing clear and detailed outlooks tend to enjoy greater investor confidence, which can positively impact stock prices and market stability. A company that communicates its strategic intentions, anticipated risks, and opportunities through these disclosures effectively provides the market with a sense of direction, which is crucial in times of uncertainty. Investor confidence in the company's ability to manage future risks can mitigate market volatility, which is often driven by irrational fears during periods of uncertainty (Abideen et al., 2023; Almansour et al., 2023).

Additionally, the effective communication of resource allocation strategies—how a company plans to distribute its resources to achieve strategic objectives—can enhance market performance by demonstrating the company's operational efficiency and long-term viability. According to Muhi and Benaissa (2023), clear resource allocation disclosures positively affect investor confidence, leading to better financial outcomes. Investors are more likely to support a company that transparently outlines how it plans to achieve future growth and sustainability, as this reduces uncertainty and promotes confidence in the company's market performance (Blajer-Gołębiewska, 2021). This study will assess market performance using the standard deviation of monthly share prices per year (Al-Faryan & Dockery, 2021; Pereira da Silva, 2021). This metric provides insight into how fluctuations in share prices relate to the clarity and transparency of Outlook and Resource Allocation disclosures. By examining these relationships, the study aims to demonstrate how forward-looking disclosures in integrated reports affect the market price of quoted banks in Nigeria.

2.2 Theoretical Framework

This study employs Stakeholder Theory and the Efficient Market Hypothesis (EMH).

2.2.1 Stakeholder Theory

Stakeholder Theory, introduced by R. Edward Freeman (1984), highlights the necessity of including both financial and non-financial information to meet stakeholder expectations and enhance organizational transparency (Parmar et al., 2010; Donaldson & Preston, 1995). This theory supports the integration of forward-looking information and resource management strategies into corporate reports. It reflects the descriptive, normative, and instrumental aspects of the theory by demonstrating how comprehensive reporting addresses stakeholder demands, guides corporate behaviour, and aligns with strategic objectives.

2.2.2 Efficient Market Hypothesis (EMH)

The Efficient Market Hypothesis (EMH), as formulated by Eugene F. Fama (1960s), offers a framework for understanding how Outlook and Resource Allocation disclosures are incorporated into stock prices (Bouattour & Martinez, 2019; Naseer, 2020). According to EMH, if markets are efficient, then all relevant information from integrated reports should be reflected in the market performance of listed banks. The study will assess whether market performance aligns with the disclosures provided in the Outlook and Resource Allocation sections. Deviations from expected performance could indicate inefficiencies in the market's ability to process this forward-looking information. The EMH facilitates the objective of the study which evaluates the effectiveness of integrated reporting in influencing investor perceptions and market dynamics.

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2.3 Empirical Review

The impact of outlook and resource allocation disclosures in integrated reporting on market performance has been explored through various studies. Adeniyi and Fadipe (2018) found that while integrated reporting significantly affects firm value, different types of capital disclosures have varying effects. Their results suggest that while resource allocation disclosures may impact firm value, the specific effects on Tobin's Q were complex and not uniformly positive.

Adegbie, Akintoye, and Isiaka (2019) also investigated integrated reporting and its effect on firm value. They reported that disclosures related to financial and intellectual capital had significant but varying impacts on Tobin's Q, indicating that resource allocation disclosures might affect firm value differently across sectors.

Suttipun (2017) examined the impact of integrated reporting on corporate performance and noted that while capital reporting positively influenced performance, environmental reporting had a negative impact. This suggests that outlook and resource allocation disclosures might be crucial in shaping perceptions of firm performance. Fernando et al. (2017) found that integrated reporting did not enhance the relevance of accounting information, which could imply that outlook and resource allocation disclosures might not always translate into improved market performance. This contrasts with El Deeb (2019), who reported that integrated reporting positively influenced firm performance and value, suggesting that specific disclosure elements like outlook might have significant impacts.

Wen and Heong (2017) reported significant positive impacts of various content elements, including risks and opportunities, on financial performance. This finding supports the idea that outlook disclosures might play a role in enhancing market performance. In a study of South African banks, Matemane and Wentzel (2019) found a positive relationship between integrated reporting quality and earnings per share, although no significant relationship was found with Tobin's Q or return on equity. This implies that outlook and resource allocation disclosures might influence certain aspects of market performance more than others. Zhou, Simnett, and Green (2017) found that integrated reporting provides incremental value to the capital market, suggesting that outlook disclosures could offer additional insights beyond traditional reporting practices.

Adegbie, Akintoye, and Taiwo (2020) found that integrated reporting had significant long-term effects on corporate performance, with resource allocation disclosures potentially contributing to these effects. This aligns with the results of Aifuwa (2020), who observed that integrated reporting, including resource allocation elements, positively impacted firm performance. Surty, Yasseen, and Padia (2018) observed increased reporting disclosures but noted that the effect on corporate performance was mixed. This highlights that while outlook and resource allocation disclosures are critical, their impact may depend on various contextual factors. Appah and Onowu (2021) found that integrated reporting positively and significantly affects corporate financial performance in listed insurance firms, suggesting that outlook and resource allocation disclosures could be key factors in improving market performance.

In summary, the empirical evidence suggests that while outlook and resource allocation disclosures in integrated reporting are intended to enhance transparency and market performance, their actual implementation is limited and their impact varies. The findings highlight the importance of understanding how these disclosures affect market outcomes and the need for further research to identify best practices in integrated reporting for improving market performance.

3. MATERIAL AND METHOD

This research adopted ex-post facto design to explore the effect of disclosures on resource allocation and outlook on the market performance of quoted banks in Nigeria. The population consists of 14 listed banks, with a purposive sample of the five largest banks (FUGAZ), selected for their leadership in financial reporting practices and significant economic footprint. Data on disclosure practices were collected from the annual and integrated reports of the banks for the period 2013–2022, while monthly share price data was obtained from Investing.com. Independent variables include resource allocation strategy and outlook disclosures, measured through a coding scheme aligned with the 2021 IRF while Market performance which is the dependent variable was measured using the standard deviation of monthly share prices. These disclosure items served as independent variables in the study. The quality of integrated reports was scored using an index that assigns a score of "0" to items that are not disclosed, and "1" for items disclosed as described by Ahmed-Haji and Anifowose (2016). The operationalisation of the variables is shown in the table below.

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Table 1 Operationalization of the Variables

S/N	Variable	Variable Type	Proxies	Measurement	Authors (Previous Use)
1	Strategy and Resource Allocation	Independent	Disclosure Items from IIRC 2021 Framework	Number of disclosed items related to Strategy and Resource Allocation	Ogar-Abang, et al (2022); IRF (2021)
2	Outlook	Independent	Disclosure Items from IIRC 2021 Framework	Number of disclosed items related to Outlook	Ogar-Abang, et al (2022); IRF (2021)
3	Market Performance	Dependent	Historical Market Price per Share	Standard deviation of monthly share price for each year	Gupta et al. (2023); Sheraz and Nasir (2021)

Source: Researcher's compilation (2024)

Descriptive and OLS regression were applied to analyse the data. The model used by Ogar-Abang, et al (2022) was modified to align with the objectives of this study.

The functional notation form of the model is stated as follows:

$MKPF = f(Integrated\ Reporting\ Disclosure) \ldots\ldots\ldots\ldots\ldots\ldots\ldots Eqn1$

The deterministic models to be used in this study are specified as follows:

$MKPF = \beta_0 + \beta_1 RAS_j + \beta_2 OD_j + \varepsilon \ldots\ldots\ldots\ldots\ldots\ldots Eqn\ 2$

Where:

MKPF: Market performance, β_0: Intercept

β_1 to β_2: Coefficients of each independent variable (RAS and OD).

RAS_j: Resource allocation strategy disclosures

OD_j: Outlook disclosures

ε: Error term

The decision rule is to accept the null hypothesis if the P-value is greater than 0.05.

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4. RESULT AND DISCUSSIONS

4.1 Data Analysis

4.1.1 Descriptive Statistics

Table 2 Descriptive Statistics of Study Variables

	N	Min	Max	Mean	SD	Skewness		Kurtosis	
	Statistic	Statistic	Statistic	Statistic	Statistic	Statistic	Std. Error	Statistic	Std. Error
MKPF	50	.38	7.43	1.9944	1.45603	1.616	.337	3.092	.662
RAS	50	1.00	9.00	4.5400	2.40925	.596	.337	-.502	.662
OD	50	1.00	8.00	5.1200	2.05675	-.373	.337	-.719	.662
Valid N (listwise)	50								

Source: SPSS Statistical Output (2024)

The descriptive statistics provide a comprehensive overview of the variables in this study, including the Market Price per Share (MKPF), Risk Assessment Score (RAS), and Organisational Disclosure (OD). For MKPF, the values range from a minimum of 0.38 to a maximum of 7.43, with a mean of 1.9944 and a standard deviation of 1.45603. The distribution of MKPF is highly positively skewed (skewness of 1.616) and exhibits significant kurtosis (3.092), indicating a distribution with potential outliers. In contrast, RAS ranges from 1.00 to 9.00, with a mean of 4.5400 and a standard deviation of 2.40925. The skewness for RAS is relatively moderate (0.596), suggesting a slight rightward skew, while the kurtosis is negative (-0.502), indicating a flatter distribution compared to a normal distribution. OD, with a range from 1.00 to 8.00, has a mean of 5.1200 and a standard deviation of 2.05675. The variable shows a slight negative skew (-0.373), suggesting a tendency towards higher values, and a kurtosis value of -0.719, indicating a relatively flatter distribution compared to the normal curve.

4.2 Test of Hypotheses

The analysis evaluated the effect of resource allocation strategies (RAS) and outlook disclosures (OD) on the market price per share (MKPF) of listed banks in Nigeria as shown in the tables below.

Table 3 Model Summary[b]

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
1	.259[a]	.067	.027	1.43597	.783

a. Predictors: (Constant), OD, RAS b. Dependent Variable: MKPF

Source: SPSS Statistical Output (2024)

Table 4 ANOVA[a]

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	6.966	2	3.483	1.689	.196[b]
	Residual	96.915	47	2.062		
	Total	103.881	49			

a. Dependent Variable: MKPF b. Predictors: (Constant), OD, RAS

Source: SPSS Statistical Output (2024)

Table 5 Coefficients[a]

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	2.633	.562		4.689	.000
	RAS	.111	.104	.184	1.072	.289
	OD	-.223	.122	-.316	-1.838	.072

a. Dependent Variable: MKPF

Source: SPSS Statistical Output (2024)

Table 3 indicates a modest R-squared value of 0.067, suggesting that only 6.7% of the variability in MKPF can be explained by the combined effects of RAS and OD. The adjusted R-squared value of 0.027 further emphasizes the limited explanatory power of the model, while the Durbin-Watson statistic of 0.783 suggests potential issues with autocorrelation, given that values significantly below 2 could indicate positive autocorrelation. Table 4 presents the results of the ANOVA test, which shows an F-value of 1.689 with a significance level of 0.196. This p-value is greater than the conventional alpha level of 0.05, indicating that the overall model is not statistically significant. Hence, the predictors (RAS and OD) together do not significantly improve the prediction of MKPF. Table 5 displays the coefficients for the predictors. The coefficient for RAS is 0.111 with a p-value of 0.289, suggesting that RAS does not have a statistically significant effect on MKPF. Similarly, the coefficient for OD is -0.223 with a p-value of 0.072, which is marginally above the 0.05 threshold, indicating a potential effect that is not statistically significant at the 5% level.

4.2.1 Hypothesis One

H_{o1}: Disclosures of resource allocation strategies have no significant effect on investor decisions and market price per share of listed banks in Nigeria.

The p-value for RAS is 0.289, which is higher than 0.05. Thus, we fail to reject the null hypothesis, concluding that RAS does not have a significant effect on MKPF.

4.2.2 Hypothesis Two

H_{o2}: The outlook disclosures within integrated reports do not significantly affect the market price per share of listed banks in Nigeria.

The p-value for OD is 0.072. Although this is closer to the conventional threshold, it is still greater than 0.05. Therefore, we fail to reject the null hypothesis, indicating that OD does not have a statistically significant effect on MKPF at the 5% level.

CONCLUSION AND RECOMMENDATION

This study evaluated the effect of resource allocation strategies (RAS) and outlook disclosures (OD) on the market price per share (MKPF) of listed banks in Nigeria. The study relied on the ex post facto research design and data was analyzed using Ordinary Least Squares (OLS) regression. The sample comprised 50 observations of listed banks, providing a focused dataset for assessing the hypotheses. The results, derived from the OLS regression analysis, revealed that neither RAS nor OD significantly affects MKPF. The model summary indicated that the predictors together explained only a small fraction of the variability in MKPF, and the ANOVA results confirmed that the overall model was not statistically significant. The coefficients for both RAS and OD were not statistically significant, leading to the failure to reject the null hypotheses.

Based on the findings, the following recommendations are made:

a. Banks should enhance the transparency and relevance of their resource allocation disclosures. Although this study did not find a significant effect of RAS on MKPF, clearer and more detailed disclosures may improve investor trust and potentially affect market perceptions in the future.

b. Regulators should consider introducing guidelines that mandate more comprehensive outlook disclosures. While this study found a marginally significant effect of OD on MKPF, improved disclosure practices could provide investors with better insights into future performance, potentially influencing market values positively.

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